



Legislative Bulletin.....June 16, 2005

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H.R. 2745—Henry J. Hyde United Nations Reform Act

Summary of the Bill Under Consideration Today:

Total Number of New Government Programs: 0

Total Cost of Discretionary Authorizations: \$0

Effect on Revenue: \$0

Total Change in Mandatory Spending: \$0

Total New State & Local Government Mandates: 0

Total New Private Sector Mandates: 0

Number of Bills Without Committee Reports: 0

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 1

H.R. 2745—Henry J. Hyde United Nations Reform Act (Hyde)

Order of Business: The bill is scheduled to be considered on Thursday, June 16th, subject to a structured rule. Amendments made in order under the rule will be summarized in a separate RSC document.

Summary by Title: H.R. 2745 opens with the following statement of Congress:

Congress declares that, in light of recent history, it is incumbent upon the United Nations to enact significant reform measures if it is to restore the public trust and confidence necessary for it to achieve the laudable goals set forth in its Charter. To this end, the following Act seeks to reform the United Nations.

The bill would mandate various reforms to the management and budget of the United Nations, as follows:

Title I: Mission and Budget of the United Nations

- Expresses a statement of policy that the U.S. should use its “voice, vote, and influence” to pursue shifts in funding at the UN for 18 categories of organizational programs (listed in the legislation) from the regular assessed budget to voluntarily funded programs.
- In light of this policy, prevents the Secretary from contributing to the UN regular assessed budget for annual U.S. assessed contributions an amount greater than 22% of the UN regular assessed biennial budget (payable in two equal portions—one for each year of the UN’s biennial budget).
- Provides that if funds for one or more of the 18 program-areas have not been shifted from regular-assessed to voluntary by 2008, the amount of funds assessed to the United States for unshifted programs would be redirected as follows:
 - Up to 40% would go to internal oversight, human rights, humanitarian assistance, or any of the 18 listed program-areas that have been shifted (except refugee assistance and “Palestine” refugees); and
 - The remaining portion to any of the 18 listed program-areas that have been shifted (except refugee assistance and “Palestine” refugees, and not more than 10% of the 40% amount for any one program).
- Requires that, if the budgets for the UN public information and General Assembly affairs and conference services programs are not each reduced by 10% in 2007 (relative to the 2004-2005 budget), the U.S. would redirect 20% of its assessed contributions for these programs to the UN’s internal oversight, human rights, and humanitarian assistance programs.
- Instructs the Secretary of State to certify in 2008 that the UN public information and General Assembly affairs and conference services programs budgets are each reduced by 20% (relative to the 2004-2005 budget) for the 2008-2009 period and each subsequent biennial period.
- States that it shall be U.S. policy to “actively pursue” weighted voting with respect to all budgetary and financial matters in the Administrative and Budgetary Committee and in the General Assembly, in accordance with the level of financial contributions of Member States to the regular assessed UN budget.
- Directs the Secretary of State to certify that the UN is implementing budget practices that require staying within the budget set by the General Assembly—unless increases are agreed to by consensus and do not exceed 10%--and that require the detailing of UN expenditures by function (such as personnel, travel, equipment).

- Also directs the Secretary of State to certify that the UN Secretary General and the director of each specialized agency have developed standard procedures for evaluating UN programs approved by the General Assembly and programs of the specialized agencies. Such evaluations would have to include assessments of the “continuing relevance and effectiveness” of each program and would have to be regularly reported to the General Assembly.
- Requires that all new programs approved by the General Assembly have a specific sunset date.
- Instructs the Secretary of State to certify that an Independent Oversight Board (IOB) has been created from existing UN budgetary and personnel resources as an independent entity within the UN not subject to the organizational authority of any other UN entity. Details how board members are chosen. While the IOB will have the authority to evaluate all UN operations, the IOB’s primary mission would be to oversee the audit plans and budgets of the Office of Internal Oversight Services (OIOS) and the Board of External Auditors. In “extraordinary” circumstances and with the concurrence of the Secretary General or the Security Council by majority vote, the IOB could appoint a special investigator and staff to investigate matters involving senior UN officials.
- Requires certification by the Secretary of State that the UN has designated the OIOS as an independent entity within the UN (not subject to the organizational authority of any other UN entity, with the exception of the OIOS’ relationship with the IOB just discussed) funded by existing funds from the regular assessed UN budget. The OIOS would be able to conduct an investigation or audit of any UN entity or employee and would have to establish whistle-blower protection for all UN employees so that they would feel comfortable suggesting investigations. Mandates the creation of an OIOS Associate Director for Specialized Agencies, Associate Director for Peacekeeping Operations, and Associate Director for Procurement and Contract Integrity for oversight in their respective areas.
- Requires that the UN cease issuing single-bid contracts (except in an emergency) and take steps to prevent conflicts of interest in the awarding of contracts.
- Instructs the Secretary of State to certify that a UN Office of Ethics (UNOE) has been created from existing UN budgetary and personnel resources as an independent entity within the UN not subject to the organizational authority of any other UN entity. The UNOE would be responsible for creating and managing a code of ethics for all UN employees, including providing annual training. Requires periodic reports on various ethics and financial disclosure requirements.
- Directs the Secretary of State to certify that the UN has created the position of Chief Operating Officer (COO), who would report to the Secretary General and be

responsible for the daily administration, operation and supervision, and direction and control of UN business.

- Requires the Secretary of State to certify that UN Member States, upon request, are granted access to all reports and audits of the Board of External Auditors.
- Requires the President to direct the U.S. Permanent Representative to the United Nations to use the “voice, vote, and influence” of the U.S. at the UN to work toward adoption by the General Assembly of--
 - a definition of terrorism that includes “any action that is intended to cause death or serious bodily harm to civilians with the purpose of intimidating a population or compelling a government or an international organization to do, or abstain from doing, any act;” and
 - a comprehensive convention on terrorism that includes the definition just described.
- Mandates that the U.S. withhold contributions to the regular assessed UN budget for amounts proportional to the amounts expended for UN human rights treaty monitoring bodies or committees to which the United States is not a party.
- Instructs the President to direct the U.S. Permanent Representative to the UN to use the “voice, vote, and influence” of the U.S. to expand the UN’s Western European and Others Group (WEOG) to include Israel as a permanent member with full rights and privileges. The Secretary of State would have to regularly report to Congress on the treatment of Israel at the United Nations.
- Directs the Secretary of State to analyze whether the following entities are duplicative (and suggest reforms): the United Nations Division for Palestinian Rights, the Committee on the Exercise of the Inalienable Rights of the Palestinian People, the United Nations Special Coordinator for the Middle East Peace Process and Personal Representative to the Palestine Liberation Organization and the Palestinian Authority, and the NGO Network on the Question of Palestine.
- If the suggested reforms on duplicative Palestinian programs are not implemented, the U.S. would have to withhold contributions (as audited by the U.S. Government Accountability Office) to the regular assessed UN budget in amounts proportional to the percentages of such budget expended on the Palestinian programs.
- Requires that the Secretary report to Congress (within 180 days of enactment of this bill) on UN reform since 1990 and on the UN’s efforts to modernize human resource practices. Included in the human resource report would be an evaluation of tenure, promotions, sexual harassment, and other personnel policies.

Title II: Human Rights and the Economic and Social Council

- States that it shall be U.S. policy to use its “voice, vote, and influence” at the UN to ensure that a credible and respectable Human Rights Council or other human rights body is established within the UN whose participating member states uphold the values embodied in the Universal Declaration of Human Rights.
- Instructs the President to direct the U.S. Permanent Representative to ensure (and the Secretary of State to certify) that the UN has made the following human rights reforms:
 - a member state that fails to uphold the values embodied in the Universal Declaration of Human Rights shall be ineligible for membership on any UN human rights body;
 - a member state that is subject to sanctions by the Security Council or under a Security Council-mandated investigation for human rights abuses shall be ineligible for membership in any UN human rights body;
 - a member state that is currently subject to an adopted country-specific resolution relating to human rights abuses perpetrated by the government of such country in such country, or has been the subject of such an adopted country-specific resolution within the past three years shall be ineligible for membership in any United Nations human rights body;
 - a member state that violates the principles of a UN human rights body to which it aspires to join shall be ineligible for membership in such body;
 - no human rights body has a standing agenda item that relates only to one country or one region.
- Directs the U.S. Permanent Representative to work to prevent abuse of “no action” motions (in such bodies as the Commission on Human Rights), particularly as such motions relate to country-specific resolutions.
- Affirms that the U.S. will continue to “strongly support” the Office of the High Commissioner for Human Rights. The Secretary of State would have to certify that this Office has been given greater authority in field operation activities, such as in the Darfur region of Sudan, and in the Democratic Republic of the Congo.
- Directs the Secretary of State to certify that the Economic and Social Council (ECOSOC) has abolished secret voting; that only countries that are not ineligible for membership on the Commission on Human Rights are considered for ECOSOC membership; and that after candidate countries are nominated for membership on the Commission on Human Rights, ECOSOC conducts a recorded vote to determine such membership. [ECOSOC is the UN body in which members of the Commission on Human Rights are selected.]

Title III: International Atomic Energy Agency

- Directs the President to instruct the U.S. Permanent Representative to the International Atomic Energy Agency (IAEA) to pursue the establishment of:

- an Office of Compliance and Enforcement within the Secretariat of the IAEA to function as an independent body of technical experts to assess the activities of member states and recommend specific penalties for those that are in violation of their obligations; and
 - a Special Committee on Safeguards and Verification to advise the IAEA Board of Governors on additional measures necessary to enhance the agency's ability to detect undeclared activities by member states.
- Also calls on the U.S. Permanent Representative to the IAEA to seek the suspension of privileges for member states that are under investigation or are in breach of their obligations.
 - Directs the President to have the U.S. Permanent Representative to the IAEA use the “voice, vote, and influence” of the U.S. at the IAEA to ensure that funds for safeguard inspections are prioritized for countries that have newly established nuclear programs or are initiating nuclear programs, and to block the allocation of funds for any other IAEA development, environmental, or nuclear science assistance or activity to a country that has repeatedly supported international terrorism, has not dismantled and surrendered its weapons of mass destruction programs under international verification, or is under investigation for a breach, or is in violation, of its IAEA obligations or the Charter of the United Nations.
 - Requires that the IAEA provide a detailed breakdown by country of IAEA expenditures.
 - Calls on the U.S. Permanent Representative to the IAEA to help block membership on the Board of Governors to countries that are under investigation or in violation of their IAEA obligations and have not signed or ratified the Additional Protocol.
 - Expresses a sense of Congress that “the national security interests of the United States are enhanced by the Nuclear Security Action Plan of the IAEA and the Board of Governors should recommend, and the General Conference should adopt, a resolution incorporating the Nuclear Security Action Plan into the regular budget of the IAEA.”

Title IV: Peacekeeping

- Expresses a sense of Congress that:
 - “although United Nations peacekeeping operations have contributed greatly toward the promotion of peace and stability for the past 57 years and the majority of peacekeeping personnel who have served under the United Nations flag have done so with honor and courage, the record of United Nations peacekeeping has been severely tarnished by operational failures and unconscionable acts of misconduct; and
 - “if the reputation of and confidence in United Nations peacekeeping operations is to be restored, fundamental and far-reaching reforms, particularly in the areas

of planning, management, training, conduct, and discipline, must be implemented without delay.”

- States that it is U.S. policy to pursue reform of UN peacekeeping operations in the following areas:
 - planning and management, including:
 - a global audit of all UN peacekeeping operations
 - closing operations, as appropriate
 - providing for burden-sharing arrangements to reduce UN costs
 - adopting minimum standards for mission leaders
 - mandatory pre-deployment training
 - conduct and discipline, including:
 - establishment of and training on a uniform code of conduct
 - monitoring mechanisms of ongoing operations
 - a permanent, professional, and independent investigative body
 - personnel units to prevent and coordinate allegations of misconduct
 - removing financial liability from the UN for the long-term treatment or compensation of victims related to peacekeeping operations
 - holding managers and commanders responsible for how they handle misconduct
 - central database created to track cases of misconduct during peacekeeping operations
 - maintaining a minimum standard of welfare for mission personnel
 - peacebuilding, including:
 - establishing a Peacebuilding Commission, supported by a Peacebuilding Support Office (funded with existing resources), to corral the efforts of the UN, international financial institutions, donors, and NGOs to assist countries in transitioning from war to peace

- Requires the President to direct the U.S. Permanent Representative to the UN to oppose the creation of any new, or the expansion of any existing, UN peacekeeping operation until the Secretary of State can certify to Congress that many of reforms just described above (listed explicitly in the bill) have been implemented.

Title V: Department of State and Government Accountability Office

- Directs the Secretary of State to “make every effort” to recruit American citizens for positions within international organizations.

- Requires that the annual budget for assessed contributions to the UN include an itemization of the budget and that Congress be consulted about any changes under consideration to such budget.

- Instructs the Secretary of State to conduct a review of UN programs that are funded through the regular assessed budget and provide recommendations to Congress on the continuation and nature of the funding of such programs.
- Directs the GAO to report on the status of the management reforms initiated by the UN Secretary General in 1997, 2002 and 2005, and by this legislation. The GAO would also have to report to Congress on each certification under this legislation issued by the Secretary of State.

Title VI: Certification and Withholding of Contributions

- Provides that the Secretary of State has to certify to Congress that the UN has made the reforms detailed in this legislation.
- If the Secretary cannot make certain certifications, the Secretary could verify that the UN has made reforms that are “substantially similar” to, or accomplish the same purposes as, the requirements in this legislation—only after consulting with Congress.
- If at least 32 of the 39 reforms mandated in this legislation are accomplished, all 39 certifiable reforms would be deemed to have been implemented for the year in which the Secretary submits such certifications (though the remaining seven reforms would have to be certified the following year). The bill lists 14 such certifications that MUST be implemented as part of the 32.
- **Until the Secretary of State certifies (or provides the alternate certifications) to Congress that the UN has made the reforms mandated by this bill, the U.S. would have to appropriate, but withhold from expenditure, 50% of its contributions to the UN’s regular assessed budget for a biennial period. The withheld funds would remain available until expended and could only be released when all certifications or alternate certifications are submitted to Congress.**
- Certifications would be due with respect to U.S. contributions to the UN budget for 2007 and thereafter.
- Instructs the Secretary of State to annually review UN compliance with all certifications and report its findings to Congress. The withholding of funds would re-apply to any UN failure to remain in compliance.

Additional Background: The International Relations Committee, in House Report 109-120, sums up the need for this legislation, as follows: “Scandals involving the United Nations Oil-for-Food Program and United Nations specialized agencies such as the World Meteorological Society and the World Intellectual Property Organization, as well as alleged wrongdoing by high-level United Nations staff, have illustrated systemic weaknesses in the United Nations. Despite budgetary reform initiatives by the Secretary-General in 1997 and 2002, the regular assessed budget of the United Nations remains replete with outdated, obsolete programmatic mandates that continue to be funded, with little regard for prioritization of mandated

initiatives by the General Assembly. Additionally, many programs currently funded through regular assessed dues would be better suited for voluntary funding, thereby increasing transparency, efficiency, and engendering a more results-oriented approach in implementation. Further, the undisputed deplorable state of the Commission on Human Rights, which allows countries such as Cuba and Sudan to act as arbiters of human rights, must no longer continue unchecked. Moreover, it is undeniable that the record of United Nations peacekeeping since the end of the Cold War has been tainted by disastrous operational failures and unconscionable acts of misconduct. Allegations of sexual exploitation, abuse, and rape by United Nations peacekeepers cannot go unaddressed.”

Committee Action: On June 8, 2005, the International Relations Committee marked up, amended, and favorably reported the bill to the full House by a vote of 25-22.

Administration Position: A Statement of Administration Policy (SAP) is not available yet.

Cost to Taxpayers: The following is from the CBO cost estimate for H.R. 2745:

CBO has no basis for predicting whether or when all the necessary certifications would be made. If the Secretary is able to make all certifications in a timely manner, assessments would not be withheld, and implementation of the bill would have no impact on spending subject to appropriation. Alternatively, if certifications cannot be made and 50 percent of assessments are withheld, such discretionary spending would be about \$187 million lower in 2007 and about \$769 million lower over the 2007-2010 period--relative to expected scheduled payments under the current-law baseline. The bill would not affect direct spending or revenues.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: The International Relations Committee, in House Report 109-120, cites constitutional authority in Article I, Section 8, but does not cite a specific clause. House Rule XIII, Section d(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

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